

John Stedman

STATE OF NEW-YORK.

No. 64.

IN ASSEMBLY,

January 25, 1841.

ANNUAL REPORT

Of the Bank Commissioners.

Albany, January 23, 1841.

To the HON. PETER B. PORTER, JR.

Speaker of the Assembly.

SIR :—

We transmit herewith our annual report, and are,

Respectfully,

Your obd't servants,

J. G. FORBES,

C. STARR,

T. CARY,

} *Bank Commissioners.*

REPORT.

TO THE LEGISLATURE OF THE STATE OF NEW-YORK.

The Bank Commissioners, pursuant to law, respectfully submit the following

ANNUAL REPORT.

The commencement of the last year exhibited not only a great reduction in the loans and circulation of the chartered banks, as compared with the like period of the preceding year, but also a disorganized condition of our domestic exchanges, and considerable depreciation in the value of the notes of a large portion of the banks in the interior of the State.

On the first of January, 1840, the reports of the various chartered banks, showed a curtailment of loans and discounts, to the amount of \$15,512,000, within the twelve months then past—whilst the circulation of the same institutions had experienced, within that time, a diminution of \$8,743,365.

Although the pressure consequent upon these reductions was in some degree alleviated by the new loans and circulation of the different banking associations under the general law, yet still the rapidity, as well as the actual amount, of this contraction, produced an intense degree of distress and embarrassment throughout the country, materially aggravated, perhaps, by the former abundant, if not excessive, bank issues, which had taken place after the resumption of specie payments, in the spring of 1838.

The contraction in the loans and issues of the Safety Fund banks, which commenced about the first of October, 1839, arose from a combination of general causes, which operated with great force and se-

verity upon all the banks of the Union, at that particular period—together with other reasons of a local character, having reference to the peculiar, and somewhat dissimilar, systems of our own State.

The second suspension of the banks south and west of New-York, which occurred about that time, was, without doubt, sufficient in itself to render a large reduction, on the part of our banks, not only an act of prudence, but one which became essential to their own stability and credit.

But without regard to the causes which created a necessity for this sudden and extraordinary contraction—when it is considered that it was effected in the short period of about ninety days—great cause for surprise, as well as gratification, will exist, not only at the firmness by which it was sustained by the commercial public, but also at the sound condition of our banks at that period, by which they were enabled to control their large circulation, and maintain their credit, while those in a great portion of the other States of the Union had been compelled to submit to the suspension of cash payments.

It will also be remembered, that our banks had, a short time before, risen from a state of prostration consequent upon a general suspension, with a large amount of unavailable debt on hand, growing out of the excessive operations of preceding years ; and which, of course, greatly lessened their ability to protect themselves against the disastrous effects of a second revulsion in the moneyed affairs of the country.

These considerations, in addition to the integrity and promptitude which our banks have since generally exhibited, in discharge of their obligations to the public, should give them strong claims to favorable confidence.

It cannot be doubted, that the honorable and firm position assumed and maintained by the banks of the State of New-York, at the period above referred to, not only saved the great banking interest of the Union from a total shipwreck, which would, in all probability, have resulted from a second general suspension—but served to prevent the entire prostration of American credit in Europe, at the most important crisis which has, perhaps, yet occurred in our financial history.

The depreciation of the notes of the country banks, which commenced early in the fall of 1839, materially contributed to aggravate the

other difficulties and embarrassments of that period, by throwing into confusion the internal exchanges, and deranging that uniformity of relative value between city and country paper, which is at all times essential to the healthy action of business operations.

This depreciation arose, in the first instance, from the discontinuance of the voluntary arrangement under which the notes of the country banks had been purchased in the city of New-York, and which had produced the most beneficial effects in maintaining steadiness in the value of the currency throughout all parts of the State.

The causes which induced the city banks to abandon this arrangement, had their origin, as well in the necessity then existing for the possession and control of all their funds, to insure their own preservation, as also in the extraordinary amount of the notes of the country banks which was suddenly thrown upon them for redemption, and which, in connection with other adverse circumstances, probably produced a want of confidence in the soundness of the country institutions.

It has been supposed that the loans and circulation of the country Safety Fund banks were greatly reduced in the fall of 1839, by reason of the forced efforts made by the associations under the general law during the summer and fall of that year, not only to substitute their own circulating notes in place of the others, but also by the practice which it was said some of them had pursued, of purchasing their bills in the New-York market, at a discount—thereby employing their funds in this operation, instead of making loans in the ordinary course of banking, and causing a reduced action on the part of the Safety Fund banks, by the large and rapid redemptions which they were compelled to make in the city of New-York under this state of things.

If these practices existed to any extent, it is not difficult to perceive that their inevitable effect would be to force the currency out of its ordinary channels of circulation to the point where it was to be redeemed, with a rapidity and frequency never occurring under the healthful and natural operations of trade, and which could not fail to disturb the harmonious action of any system of currency, and seriously embarrass those institutions whose issues were exposed to such a process.

To this cause may be assigned, in part, the breaking up of the system of the purchase of country notes by the city banks—thereby leading

to the immediate depreciation of the bills of the banks in most parts of the interior, to rates of discount, varying from two to six per cent.—producing general confusion in the exchanges, and preventing, in a great measure, either collections by the banks, or the remittance of funds from the country to the city, through the cheap and ordinary medium of drafts.

This state of things existed at its highest point of severity at the commencement of the last session of the Legislature—and well-grounded fears were at that time entertained, that this derangement would result in consequences disastrous to the credit of the country institutions, unless an adequate and legalized mode could be devised to produce uniformity in the value of our bank paper—a mode not dependent on mere conventional arrangement—which experience had shown was liable to be dissolved, when the interest or necessities of either party required it—but deriving its permanency and value from the force of legislative enactment.

This subject very justly received that consideration on the part of the Legislature which was due to its importance—and after a careful examination of the various measures suggested, a law was passed on the 4th of May last, requiring all the banks out of the cities of New-York, Albany or Brooklyn, to appoint an agent, on or before the first day of July thereafter, who should keep an office in the cities of New-York or Albany for the redemption of the circulating notes of the respective banks, at a rate of discount not exceeding one half of one per cent.

Although the rates of discount on country paper were materially lessened before this law went into effect, by the intervention of other favorable causes, yet the law itself has operated with extraordinary success in attaining the full object for which it was enacted, and producing a general uniformity and steadiness in the value of country paper, heretofore unknown under any voluntary arrangement between the city and country banks.

The prompt manner in which the banks have, with a few exceptions, continued to redeem their circulation, under the requirements of this law, has produced great public confidence in the soundness of their condition, and operated with happy effect upon the interests of the country at large, by giving free scope to the undisturbed action of both systems

of banking—by facilitating business transactions—and rendering them more secure from the dangers incident to fluctuations in the value of the currency.

The associations under the general banking law were subjected to the inspection and supervision of the Bank Commissioners, by virtue of an act passed at the last session of the Legislature, and we have accordingly visited and examined these institutions, except in one instance, where the officers in charge declined to submit their affairs to our inspection, upon the alleged ground, that the law, under which the Commissioners derived their authority, was unconstitutional.

This ground, indeed, was almost universally assumed and insisted upon by those associations which permitted us to examine their condition—and such examination was acceded to under a protest in regard to the right of the Legislature to compel a submission to our visitation.

The act in question directs, that in case any of the associations, or individual bankers, shall refuse to submit its books and affairs to the inspection of the Commissioners, or whose officers shall refuse to submit to be examined upon oath, in relation to said affairs, that such association, or individual banker, shall be liable to be proceeded against by the Commissioners, in the same manner, and with the like effect, as any incorporated bank may be proceeded against for a violation of its charter.

In conformity with this law, we have instituted proceedings against the association thus refusing, by procuring an order from the court of chancery, requiring cause to be shown, at a time and place stated in the order, why an injunction should not issue, suspending its further operations, and, also, why the association should not be dissolved. The day for showing cause has not yet arrived.

It is well known, that a general opinion prevails among the proprietors of the free banks, that the provisions of the act of the last session, above referred to, cannot be constitutionally extended to associations which went into operation before the passage of the law—and it is expected that this important question will be presented to the court of chancery, for determination, in the case already instituted.

Since the act took effect, requiring the appointment of agents at New-York or Albany, for the redemption of the circulating notes, one

only of the free banks, (the Millers' Bank of New-York, at Clyde,) has neglected to make such redemptions, and we have in consequence applied to the court of chancery, and obtained an injunction suspending its further action, and its affairs are now in the process of liquidation, through the agency of a receiver.

Notwithstanding the practical operation of the free banking system has not thus far been attended by all the successful results which were anticipated at the time of its adoption, it is still believed, that nothing has yet transpired, in the fair experience of the system, by which it should be considered as having failed to effect the legitimate objects of its establishment by the Legislature—either in discharging the various functions of banking with safety and convenience to the public, or in yielding to the capital employed in its operations an adequate and remunerating profit.

It will be recollected, that the general banking law went into effect at a period, in the financial affairs of the country, marked by many peculiar and adverse circumstances.

The Safety Fund banks, immediately on the suspension of specie payments, in the spring of 1837, with a commendable regard to the great duty of a resumption within the shortest possible time, consistent with their own future credit and the public interest, commenced and continued the contraction of their loans and issues—which had previously been extended to an inordinate degree—until they succeeded in consummating the object in view, by a return to cash payments in the following spring.

The natural and necessary consequence of this severe but salutary contraction, was to produce great distress throughout the community, by deranging all the various and multiplied business relations of the country—by impairing that confidence which was essential to the successful prosecution of commercial enterprise—by depressing the value of all property, and rendering impossible, in a great degree, the fulfilment of pecuniary engagements.

At this particular period, when the want of moneyed facilities was felt with greater intensity than perhaps at any previous time in the history of the country, the general banking law was adopted, and a hasty and premature establishment of many associations took place under its authority—not so much with a view to the profits to be derived from

the employment of capital in banking, as to create immediate means to relieve the embarrassments of individuals by whom the associations had been instituted.

The deposit of that part of the capital which the law required in the form of State stocks, was rendered comparatively easy by the large amount of these securities which had been issued by many of the States, and which could be readily purchased on private credit, at prices considerably above their market value, as well as above the rate at which they would be received by the Comptroller.

The mortgages on real estate, were also, in many instances, transferred to the associations by individuals, whose necessities required from the bank, when established, and who imposed on it as a condition to the transfer, the obligation to make immediate accommodation loans on long time, perhaps to the greater part, if not the whole, amount of the securities thus deposited.

It must be quite obvious, that in such cases—although the public might be secure as it regards the ultimate redemption of the circulating notes—yet the association so organized could scarcely be expected to yield a profit to its stockholders, when the securities which formed the basis of its circulation, were not only purchased on credit—and that, too, at prices greatly exceeding their available value—but where its discounts were either chiefly appropriated to the payment of the debt contracted for the securities, or employed in the form of long accommodation loans, to be applied, perhaps, to the discharge of old liabilities, having their origin in any other operation than that of present legitimate business.

It cannot be doubted, that under the most favorable circumstances in all other respects, no banking institution, under any system, could either permanently sustain its credit, or yield an income to its stockholders, where its action is founded upon a basis so wholly fictitious and delusive.

It is also probable, that the removal of the restrictions upon the business of banking, which existed before the passage of the general law, caused the formation of an excessive number of these associations at points where the fair demands of business did not require their establishment.

The free banking system has been considered, by many experienced and able financiers, as combining in its peculiar features certain great advantages over any other now in operation—so far, at least, as it respects the safety of its circulation, and its comparative inability to produce fluctuations in the currency by excessive issues.

The great and distinctive principle by which this system is marked, may be found in the want of power to loan, in the form of discount and circulation, that part of the capital, which the law requires to be invested in securities, and deposited with the Comptroller, and in the restriction of the circulation to a mere loan of credit, to an extent only equal to these securities—which are placed beyond the control of the association itself, as a guaranty to the public for the ultimate redemption of its notes.

The securities, in the form of public stocks, are required to be—under the law as amended at the last session of the Legislature—exclusively those issued by this State, and to be equal to a stock producing five per cent. per annum—and in no case to be taken by the Comptroller at a rate above its par value, nor above its current market value.

If any part of the securities consist of bonds and mortgages upon real estate, such mortgages are required, by the original law, to be only upon improved productive unincumbered lands within this State, worth, independent of any buildings thereon, at least double the amount for which they shall be so mortgaged, and bearing at least six per cent. interest.

It must therefore be evident, that with proper precautions in regard to the true value of the property described in the mortgages, to be deposited, the public have, in the above provisions, a degree of safety from ultimate loss, in reference to the circulating notes, which would seem to be equal, at least, to that of the banks under the other system.

Although it is stated, that a loss has been sustained in the sale of the mortgages deposited with the Comptroller, in a single instance—yet we do not consider it certain, that the loss arose from the unavailable character of such securities in general.

The indisposition to purchase those particular mortgages at their face, may have arisen from a depreciation in the value of the property since the mortgages were executed—or it may have grown out of other causes which would not thus injuriously affect the like securities of other associations.

Besides, although it may be true, that under the peculiar restrictions which prohibit the loan of the capital in discount and circulation, the profits of the stockholders may be somewhat diminished, yet the increased security arising from the permanent and safe investment of this capital—set apart and exempt, as it is, from the great and ordinary hazards of banking—may perhaps be regarded, by prudent men, as better, upon the whole, than larger profits with greater risks.

It is well understood, that the banks under the other system take charge, and have entire control, of their own capital, and employ it actively, in conjunction with their credit, in the business of discounting paper, and issuing a circulating medium to a certain limited amount beyond the capital.

Although, under the peculiar feature of the Safety Fund, by which this system is distinguished in our own State, the public may have more than an ordinary degree of security for the redemption of the notes, yet there are some prominent evils, connected with the power on the part of banks to employ their capital and credit in discounting bills, and issuing a circulation, which may be regarded as inherent, and which is very difficult, if not impossible, to counteract entirely, either by legislative restrictions, or by experience and skill in management.

The extraordinary profits which are derived from the exercise of this privilege on the parts of banks, produce an unavoidable tendency towards excessive issues—by making loans not only to facilitate the common and just demands of trade, but also, in too frequent instances, to be used by the borrower in enterprises which, from their nature, render repayment, at short time, impossible—having no relation to the sale and exchange of commodities, but to objects which require, for a long period, the undisturbed use of real capital, before they can be attained.

Although it is perhaps impossible to avoid wholly, the making of loans by banks, on what is usually called accommodation paper, yet it is not difficult to perceive, that issues upon such loans, whenever made, must of necessity be excessive—constantly producing in themselves an increased demand for new issues of the like kind—contributing to disturb those equal relations between currency and trade, which are essential to the prosperity of every community—and producing fluctuations in the prices of commodities, violations of pecuniary engagements, and unnatural depression or expansion of business.

But under the general banking law, the ability of making excessive issues is, at least, materially restricted by the limitation prescribed in the law itself; but the tendency also to loans of this description is greatly circumscribed by the consideration that the bank making the loan cannot, in any manner, depend upon or receive aid from the securities deposited with the Comptroller, in providing means for the redemption of its notes, but must rely on the payment of sums due to it for notes discounted—thereby creating a necessity, in reference to its own credit and solvency, of confining its loans to business paper, having but a short time to run, and always to be paid at maturity.

It is not pretended that all of the free banks have conformed, in their operations, to this salutary and indispensable rule of management. But this is not the fault of the system: nor should the difficulties or complaints of institutions, in regard to sustaining their credit, or making their stock profitable, afford any ground for doubt, as it regards the success of this mode of banking—unless it shall appear that they have been conducted in conformity to the true principles and spirit of the law under which they were established.

Indeed, from the opportunity we have had in learning the operations of banking under this law, we have reason to believe, that those banks which are established in places requiring the use of such facilities—owning the securities deposited with the Comptroller, free from indebtedness on account of their purchase—having a fair proportion of cash capital, and principally employed in the discount of business paper—are yielding to their proprietors fair profits, and realizing to the public all the benefits which can reasonably be expected from any other banking institution.

Time and experience are daily developing not only the advantages and defects of the system itself, but exposing, also, those errors in practice, which are so apt to occur in the first attempt to carry out any new and untried theory.

In several instances, the stockholders in these associations, having discovered that the business has not fulfilled their expectations in regard to profits, are gradually winding up their affairs, and receiving the securities deposited with the Comptroller. In other cases, they are making laudable efforts to correct the mistakes originally committed in reference to the character of their loans and discounts, and to restore

themselves to a position where they can be able to confine their operations chiefly to business paper, at short date.

We have received various suggestions from individuals engaged in banking under the general law, proposing material changes and modifications of different parts of the system.

Although it cannot be doubted that imperfections exist, to a greater or less degree, which might possibly be obviated by legislation ; yet it is by no means certain, that the amendments proposed may not, as they have done in other cases, create additional and opposite defects from those sought to be remedied, and increase, rather than remove, the apprehensions which are already entertained, to some extent, of the practical efficiency of any system of free banking. Besides, we conceive, that unless the changes suggested for the action of the Legislature, shall be of such prominent and obvious utility, as to leave no doubt of their beneficial effects, when adopted, it will be far better that stability be given to the system, by that experience under it, which will not probably fail to produce an appropriate and successful conformity to its present provisions, although they are not, in the opinion of all, as perfect as they might be made by further legislation.

The desire to improve, is always the motive professed, and perhaps the one entertained, in most cases, by those who seek to make changes and innovations in any established system. But we are not to forget the great and salutary lesson which experience is constantly teaching us, that changes are not always improvements, and that a state of transition from one mode of business to another, is not so well calculated to attain success, as the steady pursuit of the object in view by accustomed means and practices.

Man is so constituted, that by stability in one course of action, he can generally conform to things as they may exist around him, with all their imperfections, in such a manner as to prosper ; but if instead of trusting to this conservative process of nature, he becomes impatient of continuance in a regular and uniform mode of conduct, and makes frequent changes in his position, he too often defeats his own expectations, and fails of that success which forms the inducement to all his efforts.

For these reasons, it may well be doubted whether a change in any important feature of the present general banking law would, at this

time, conduce either to the interest of the public, or of those engaged in this business. An attempt to make such changes will almost of necessity produce alarm and uncertainty with regard to its results. The country requires gradually improving confidence and undisturbed repose. These are essential to its relief from the evils and disasters it has already suffered, by an excess of legislation on the subject of the currency.

There is, however, one slight modification of the general banking law which might be made without any violation of the rule above prescribed, and which has, in some measure, become necessary, in consequence of amendments made to the law at the last session of the Legislature. We allude to that provision requiring the making and publication of detailed semi-annual reports of the state and condition of the respective associations.

The 26th section of the act in question prescribes various and minute statements to be inserted in these reports, under eleven different heads—and provides that each report, when made, shall be published by the Comptroller, in a newspaper printed in the county where the place of business of such association is situated, and in the State paper—the expense of which shall be paid by the association. It is obvious that the Legislature designed that the making and publishing of these semi-annual reports should be in substitution of the mode prescribed by the Safety Fund system, requiring the periodical visitation of Bank Commissioners—and as by the law of last winter, the free banks are subjected to this visitation, it is submitted, whether they should be required to incur the labor and trouble of making these statements, and also the expense of their publication, in addition to that which they must now sustain, in paying the salary of a Commissioner. The cost of printing these semi-annual reports alone, it is understood, amounts to a sum nearly sufficient to pay this salary. Besides, the other general expenses which the law already imposes upon these institutions, form the subject of much complaint among their proprietors.

Again—we consider these reports as in a great degree useless, from their complexity, and from the indefinite and obscure manner in which the true condition of the association is therein represented. It is impossible, we think, to state a balance, or determine with ordinary accuracy the condition of any bank, from one of these reports. We therefore recommend that the 26th section of the original law be repealed, and that

provision be made that each of the associations shall transmit to the Bank Commissioners an annual statement of its affairs, at the time, and in the form, prescribed in the case of the Safety Fund Banks. This will produce a uniformity in the statements of all our banking institutions, by which their actual and relative condition may be better understood and contrasted than at present.

In the month of December last a temporary injunction was issued, on our application, by the court of chancery, suspending the operations of the Wayne County Bank, at Palmyra. Since that time the original injunction has been continued by order of the court—and the affairs of the bank have been duly placed under the charge of a receiver.

The proceedings against this institution were based upon a careful examination of its condition and affairs, which resulted in a conviction, on our part, that the capital stock was in a great measure, if not wholly, exhausted—and that it was by no means certain that the available assets would meet its other debts. Although its nominal resources considerably exceed all its liabilities, yet the collection of a large amount of debts due to the bank is rendered doubtful, by reason of the insolvency of the debtors—whilst other demands held, to some extent, against individuals who are supposed to be responsible, are considered insecure, on account of pretended legal objections which are claimed to exist to the validity of the paper discounted by the bank.

It will thus be seen, that no definite opinion can be formed with regard to the amount of the assets of the bank, which may ultimately prove unavailable from these causes—inasmuch as a portion, at least, of those debts which are considered doubtful, on account of the embarrassed circumstances of the debtors, will probably be realized by prompt and effective legal measures—whilst the other portion referred to may also turn out to be good, by the failure to establish any legal defence to a recovery.

At the time of the service of the injunction in this case, the notes in circulation of this bank amounted to the sum of \$139,392, including notes of every description, either in actual circulation, or which had been previously hypothecated.

It is understood that the doubtful debt in this case, had its origin in transactions occurring chiefly during a space of about four years, end-

ing in 1839, and connected with the overtrading and speculations of that period—by a reckless and improvident appropriation of its funds to a variety of chimerical enterprises, having no relation to legitimate business—and by the highly culpable conduct of its chief financial officer, in making loans to individuals in large amounts, without taking care that the securities were such as to fully protect the institution, or by permitting those securities, when good, to be withdrawn, and others less safe substituted.

By reference to the law establishing the Safety Fund, it will be found, that in case of the insolvency of any institution subject to its provisions, not only the circulating notes, but all its debts, exclusive of the capital stock, are a charge upon the fund, to the amount of any deficiency which may exist above its assets.

This peculiar feature of the law does not seem, until recently, to have been generally understood, either by the public at large, or even by those engaged in the business of banking—and great doubt is entertained in regard either to its justice or expediency.

The Safety Fund act was primarily designed to secure bank note holders, and not depositors or other creditors. The nature of our currency is such, that the notes of banks must be received in the ordinary transactions of business, from the very necessity of the case, without any particular knowledge of the condition of the institutions by which they are issued ; and for this reason it seems entirely proper, that those who are thus compelled to receive them, should be shielded from loss, in the event of inability on the part of the bank to redeem them. But in reference to deposits, or other debts, the case is widely different. No man is bound to deposit in a bank unless he pleases ; and if he voluntarily assumes in this manner to make it his debtor, no good reason can be perceived why he should be entitled to greater security than that of the bank to which he gives the credit.

Again—while the law carefully provides against the liabilities of a bank on account of its circulating notes, by declaring they shall not exceed a limited sum, it throws no guard around the amount it may owe for deposits or other debts. Hence, an institution, with small capital, whose contributions to the Safety Fund are trifling in amount, may thus involve it, to a ruinous extent, on account of liabilities which it may contract, either for deposits, or by reason of special loans or bank balances.

The whole bank capital subject to the Safety Fund, is now \$32,551,460. The amount which can be added to the fund in any one year, by contributions from the banks, on account of any loss, is only one half per cent. on the capital, being \$162,775.73. It is therefore easy to perceive, that in case of the failure of one of the large banks in the city of New-York, the loss might, and probably would be so great, that the whole annual contributions would not pay the interest on the sum lost—and in this manner the Safety Fund might be annihilated, and afford no further security for the payment of circulating notes, or any other indebtedness. The liabilities of a single bank in the city of New-York, as reported to the Commissioners in 1838, were \$7,677,944; and if the General Government should again deposit in some bank in that city, such liabilities may reach that amount hereafter.

Besides, we conceive that the effect of this provision is, to give weak, and perhaps insolvent institutions, a fictitious credit founded upon the right of the creditor to reimburse himself out of the fund—and in this way not only to place the whole fund at hazard, but to render those banks which are prudently and skilfully managed, sureties against the improvident, if not fraudulent, conduct of the opposite class, over whom the law places no control in reference to the amount of liabilities they may assume.

The Safety Fund is now, in all probability, adequate to the protection of the public against the circulating notes; but this primary, if not exclusive, object in its original establishment, may be wholly defeated, by retaining the present provision in regard to other liabilities. It is therefore submitted, whether the law should not be amended in such a way as to exclude all debts, except circulation, from becoming a charge on this fund, which any bank may incur after such amendment takes effect.

During the past year, and particularly since the redemption law went into operation, the banks have gradually, but with great prudence, enlarged their loans and issues, as they were from time to time required for actual business operations. And it is believed that since the last summer, at least no want of moneyed facilities has in general existed, either for the purpose of sending forward the abundant products of the country, or for any other object connected with the sale and transfer of commodities.

During the year ending on the first of the present month, the loans of the chartered banks have increased \$2,605,696.

This comparatively small advance over the extreme reduction, as contrasted with the preceding year, existing on the first of January, 1840, did not arise from any inability or indisposition on the part of the banks to extend their loans in business operations. The annexed tables will exhibit the general soundness of their condition, and the large amount of available means on hand.

The low prices of the staple products of the country requiring much less capital for their purchase than in former years, and the difficulties and embarrassments growing out of the revulsions of 1837 and 1839, by which commercial enterprise has been greatly reduced in its action, will sufficiently account for this moderate extension of bank loans.

Besides—although the debt of the banks has not been greatly increased in amount, its character has undergone, in our judgment, a material and beneficial change, by transforming a large portion of that which existed in long accommodation loans into active commercial paper.

The circulation of the chartered banks has increased, since the last annual report, \$4,606,056—whilst the notes issued to the associations under the general banking law have been reduced, within the year ending on the first of December last, \$658,442—making the increase of the whole circulation \$3,669,231.

We cannot present a statement of the affairs of the free banks, as they stood on the first of the present, for the reason, that by the law they are required to transmit to the Comptroller such statement on the first Monday of January, in each year—and a penalty is imposed for neglecting to transmit the same for one month beyond the period when it is required to be made.

On application to the Comptroller, for these statements, we ascertained that but a small number had yet been received, and that, in all probability, the whole would not be sent in till after the time had elapsed in which the Bank Commissioners are required by law to submit their annual report.

The following table will present a comparative view of the resources and liabilities of the chartered banks of the State, for the last two years, excluding the City Bank of Buffalo :

RESOURCES.

	1st Jan. 1840.	1st Jan. 1841.
Loans and discounts,	\$52,085,467	\$54,691,163
Real estate,	2,872,425	3,588,132
Stocks,	3,647,970	4,630,392
Bank Fund,	816,105	861,643
Specie,	5,851,018	5,429,622
Notes of other banks,	4,380,548	4,922,764
Cash items,	2,295,621	2,802,830
Due from banks,	6,504,488	10,061,002
Total,	<u>\$78,453,642</u>	<u>\$86,987,548</u>

LIABILITIES.

	1st Jan. 1840.	1st Jan. 1841.
Circulation,	\$10,360,592	\$15,235,056
Loans,	326,610	109,784
Due Canal Fund,	2,992,530	2,570,258
Deposites,	16,038,416	17,053,651
Dividends,	420,580	257,061
Due other banks,	7,008,341	10,374,682
	<u>\$37,147,069</u>	<u>\$45,600,492</u>
Add capital and profits,	41,306,573	41,387,056
Total,	<u>\$78,453,642</u>	<u>\$86,987,548</u>

In the resources as above stated, the item of bank balances includes the funds of the country banks in deposit in New-York and Albany, amounting to \$3,669,231, being an increase over last year of \$1,413,387.

The cash items appear to be large in amount, but a considerable proportion is in treasury notes of the United States, which are convertible at any moment.

The following table presents, in a concise manner, the proportions of capital to loans, and of specie to circulation, of all the chartered banks of the State for the last five years.

	Capital.	Loans.	Proportion of capital to loans.	Specie.	Circulation.	Proportion of specie to circulation.
1st Jan. 1837.	\$37,101,460	\$79,313,188	\$1 to 2.13, 7	\$6,557,020	\$24,198,000	\$1 to 3.67, 5
" 1838.	36,611,460	60,999,770	1 to 1.63, 0	4,139,732	12,432,478	1 to 3.00, 3
" 1839.	36,801,460	68,300,486	1 to 1.85, 5	6,602,708	19,373,149	1 to 2.93, 4
" 1840.	36,401,460	52,085,467	1 to 1.43, 4	5,851,218	10,629,514	1 to 1.81, 2
" 1841.	36,401,460	54,691,163	1 to 1.50, 2	5,429,622	15,325,056	1 to 2.81, 5

The statements required to be deposited by the Safety Fund banks with the Secretary of State, by the 20th January, have all been received, except those of the Wayne County Bank and the La Fayette Bank of New-York. We have inserted statements of the condition of these two institutions delivered to the Commissioners in the month of December last.

No statement has been received from the Chemical Bank of New-York, which is not subject to the Safety Fund law. For the purpose of making the tables complete, of all the chartered banks, we have substituted their report of last year.

Respectfully submitted.

J. G. FORBES,
C. STARR,
T. CARY,
Bank Commissioners.

January 23rd, 1841.

DOCUMENTS

Accompanying the Report of the Bank Commissioners.

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Bank of Ameri- ca.	Mechanics' Bank.	Bank of the State of New- York.	Phenix Bank.	Merchants' Bank.	Bank of New- York.
Loans and Discounts,	\$1,717,263	\$2,508,294	\$2,160,939	\$1,019,289	\$2,330,030	\$1,826,990
Real estate,	114,040	161,009	245,500	69,432	89,844	90,000
Stocks,	485,000	376,365	11,408	587,500	190,400	388,415
Overdrafts,	1,682	12,039	778	47,862	4,722	665
Expenses and personal estate,	-----	14,761	15,982	68,240	5,486	
Bank fund,	60,036	60,000	32,301	45,000	39,300	30,000
Specie,	492,557	328,893	338,535	260,507	478,487	383,027
Notes of other solvent banks,	237,269	87,269	372,527	352,333	773,078	219,174
Checks and other cash items,	*981,000	213,158	23,783	-----	-----	376
Funds on deposit in New-York and Albany, Due from other banks and corporations,	164 476	155,540	895,362	170,099	1,137,253	41,353
	\$4,253,323	\$3,917,328	\$4,097,115	\$2,620,262	\$5,048,600	\$2,980,000

* Treasury notes.

LIABILITIES.

Capital,	\$2,001,200	\$2,000,000	\$2,000,000	\$1,500,000	\$1,490,000	\$1,000,000
Circulation,	408,391	364,780	289,220	224,570	362,210	552,241
Loans on time,						
Due to Canal Fund,						
Profits,	266,110	214,251	87,130	.....	436,994	144,902
Deposites on debts,	1,501					
Dividends unpaid,	25,269	8,130	9,325	527	1,386	8,470
Deposites,	1,108,145	989,287	782,907	650,263	1,570,711	1,168,138
Due other banks and corporations,	442,707	340,880	928,533	244,902	1,187,299	106,249
	\$4,253,323	\$3,917,328	\$4,097,115	\$2,620,262	\$5,048,600	\$2,980,000
Dividends the last year,	\$180,115	\$140,000	\$140,000	.....	\$125,160	\$80,000
Directors' liabilities as principals,	166,413	2,620	275,431	59,568	36,209	112,148
do do sureties,	105,209	6,155	68,128	38,829	20,059	53,814
Stock owned by directors,	203,200	44,800	85,300	98,675	33,650	31,000
Loans and discounts, 1st July, 1840,	1,842,586	2,891,829	2,256,045	1,447,415	2,005,300	1,954,008
Circulation, do	294,034	355,046	277,470	148,052	366,311	559,833
Specie, do	1,027,961	428,364	418,216	315,414	863,700	409,503

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Union Bank.	National Bank.	Merchants' Exchange Bank.	City Bank.	Leather Manufacturers' Bank.	Commercial Bank of New-York.
Loans and discounts,.....	\$1,895,065	\$1,186,392	\$1,165,451	\$1,200,556	\$1,008,071	\$776,308
Real estate,	78,812	31,097	20,376	72,758	2,164	23,822
Stocks,.....	58,705	60,000	-----	-----	6,866	20,941
Overdrafts,.....	1,627	955	373	1,057	-----	6,224
Expenses and personal estate,	5,786	3,798	-----	7,805	11,448	-----
Bank fund,.....	30,000	22,500	22,500	21,600	18,000	15,000
Specie,.....	304,438	197,735	188,731	310,511	130,247	55,464
Notes of other solvent banks,.....	117,790	44,441	124,620	49,452	134,712	32,823
Checks and other cash items,.....	375,013	62,027	3,649	117,428	-----	49,356
Funds on deposit in New-York and Albany,	-----	-----	-----	-----	-----	-----
Due from other banks and corporations,	233,570	42,285	161,876	120,783	120,849	22,723
	\$3,100,806	\$1,651,230	\$1,687,576	\$1,901,950	\$1,432,357	\$1,002,661

LIABILITIES.

Capital, -----	\$1,000,000	\$750,000	\$750,000	\$720,000	\$600,000	\$500,000
Circulation, -----	345,800	154,696	135,564	216,971	193,320	121,370
Loans on time, -----	-----	-----	-----	-----	-----	44,000
Due to Canal Fund, -----	184,066	118,031	88,971	116,768	69,476	26,764
Profits, -----	-----	-----	-----	-----	-----	-----
Deposites on debts, -----	6,864	3,863	1,966	4,204	1,029	21,062
Dividends unpaid, -----	760,006	524,891	394,269	533,627	456,577	129,352
Deposites, -----	804,070	99,749	316,806	310,380	111,955	160,113
Due other banks and corporations, -----	-----	-----	-----	-----	-----	-----
	\$3,100,806	\$1,651,230	\$1,687,576	\$1,901,950	\$1,432,357	\$1,002,661
Dividends the last year, -----	\$80,000	\$60,000	\$60,000	\$57,600	\$48,000	\$40,000
Directors' liabilities as principals, -----	140,164	43,669	102,343	61,659	8,588	-----
do do sureties, -----	47,767	78,155	108,622	94,497	46,673	98,087
Stock owned by directors, -----	75,620	48,850	64,900	127,755	89,500	35,650
Loans and discounts, 1st July, 1840, -----	2,059,829	1,228,663	1,147,145	1,169,731	1,017,697	722,350
do do -----	336,983	154,662	115,609	154,000	203,289	77,527
Specie, -----	569,665	341,101	186,359	333,061	182,630	41,248

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Lafayette Bank.	Butchers' and Drovers' Bank.	Seventh Ward Bank.	Tradesmen's Bank.	Mechanics' and Traders' Bank.	Greenwich Bank.
Loans and discounts,.....	\$583,359	\$1,026,784	\$874,843	\$797,088	\$328,993	\$356,852
Real estate,	42,327	57,183	6,105	30,000	43,856	16,924
Stocks,.....	23,991	-----	9,788	59,500	-----	1,953
Overdrafts,.....	-----	298	1,823	200	219	3,238
Expenses and personal estate,.....	16,157	8,387	-----	-----	6,070	2,318
Bank Fund,.....	12,916	15,000	15,000	12,000	6,000	6,000
Specie,.....	32,817	58,663	43,361	79,787	45,897	46,506
Notes of other solvent banks,.....	105,848	46,447	36,688	22,921	13,473	26,232
Checks and other cash items,.....	43,338	1,798	5,576	15,082	75,020	2,816
Funds on deposit in New-York and Albany, Due from other banks and corporations,.....	82,385	48,337	18,892	40,814	32,760	15,546
	\$943,138	\$1,262,897	\$1,012,076	\$1,057,392	\$552,288	\$478,385

LIABILITIES.

Capital,	\$500,000	\$500,000	\$500,000	\$400,000	\$200,000	\$200,000
Circulation,	94,634	222,007	143,792	132,938	112,801	77,729
Loans on time,						
Due to Canal Fund,	22,614		49,710	72,915	17,937	14,235
Profits,	51,738	55,830	18,075			
Deposites on debts, .....	.....	1,348				
Dividends unpaid,	460	656	17,928	21,260	3,036	595
Deposites,	167,199	410,862	247,845	407,932	201,234	136,080
Due other banks and corporations,	106,493	72,194	34,726	22,347	17,280	49,746
	\$943,138	\$1,262,897	\$1,012,076	\$1,057,392	\$552,288	\$478,385
Dividends the last year, .....	.....	\$40,000	\$35,000	\$40,000	\$16,000	\$26,257
Directors' liabilities as principals, .....	.....	84,582	24,542	24,051	9,390	35,288
do do sureties, .....	.....	23,501	51,709	107,916	46,398	19,650
Stock owned by directors, .....	.....	24,825	77,950	91,520	51,200	264,986
Loans and discounts, 1st July, 1840, .....	.....	954,896	736,056	750,305	302,295	69,716
Circulation, do .....	.....	195,695	139,539	99,520	96,473	67,729
Specie, do .....	.....	86,516	110,463	82,789	23,846	

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Brooklyn Bank.	Atlantic Bank.	Long-Island Bank.	Westchester county Bank.	Bank of New-burgh.	Highland Bank.
Loans and discounts,.....	\$207,262	\$615,267	\$701,870	\$299,065	\$262,220	\$372,078
Real estate,	17,546	37,224	31,769	30,959	12,596	16,562
Stocks,.....	-----	-----	-----	6,250	20,000	
Overdrafts,.....	2,076	153	850	923	885	
Expenses and personal estate,	14,890	5,896	15,509	1,011	55	12
Bank Fund,	6,000	10,600	1,500	6,000	4,200	6,000
Specie,	1,931	27,841	46,969	11,709	21,465	25,570
Notes of other solvent banks,.....	8,779	2,044	7,980	2,185	8,163	4,151
Checks and other cash items,.....	78	2,774	9,698	732	1,560	6,310
Funds on deposit in New-York and Albany, * Due from other banks and corporations,....	-----	44,460	47,992	63,316	89,847	52,804
	\$258,562	\$746,259	\$864,137	\$422,150	\$420,991	\$483,487

* Principally on deposit in New-York.

LIABILITIES.

Capital, -----	\$200,000	\$500,000	\$300,000	\$200,000	\$140,000	\$200,000
Circulation, -----	8,804	80,286	169,141	160,352	141,147	189,762
Loans on time, -----						
Due to Canal Fund, -----						
Profits, -----	31,135	19,114	107,865	24,577	45,034	22,778
Deposites on debts, -----						5,943
Dividends unpaid, -----		1,043	4,309	890		2,383
Deposites, -----	18,623	121,383	228,431	36,331	68,129	38,531
Due other banks and corporations, -----		24,433	54,391		26,681	24,090
	\$258,562	\$746,259	\$864,137	\$422,150	\$420,991	\$483,487
Dividends the last year, -----		\$32,500	\$36,000	\$16,000	\$12,000	\$14,000
Directors' liabilities as principals, -----	\$1,380	46,839	51,345	17,050	22,123	24,679
do do sureties, -----	1,818	27,144	40,558	16,013	17,692	18,228
Stock owned by directors, (shares,) -----	2,563	52,550	65,550	31,450	40,740	39,150
Loans and discounts, 1st July, 1840, -----	103,473	607,165	667,832	308,415	235,235	357,623
Circulation do -----	10,037	93,483	152,238	119,732	75,345	137,616
Specie, do -----	4,635	35,123	63,328	10,683	22,235	14,240

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Orange County Bank.	Dutchess County Bank.	Farmers' and Manufacturers' Bank.	Bank of Poughkeepsie.	Ulster County Bank.	Kingston Bank.
Loans and discounts, -----	\$241,959	\$833,115	\$416,671	\$210,010	\$136,228	\$243,135
Real estate, -----	20,991	18,000	42,816	9,262	6,975	20,358
Stocks,-----	2,500	15,875				
Overdrafts,-----	1	5,278	710	30		
Expenses and personal estate, -----	163	3,011			19	3,768
Bank fund,-----	3,170	9,666	7,325	3,000	3,000	3,197
Specie,-----	15,770	18,764	21,237	17,145	12,485	23,205
Notes of other solvent banks,-----	6,549	5,474	10,201	8,196	10,504	12,329
Checks and other cash items,-----	457		18,086	6,510	1,500	
Funds on deposit in New-York and Albany, -----	17,740					
* Due from other banks and corporations, ---	478	80,780	114,975	80,357	27,077	26,655
	\$309,778	\$989,963	\$632,021	\$334,510	\$197,788	\$332,647

* Principally on deposit in New-York.

LIABILITIES.

Capital,	\$105,660	\$600,000	\$300,000	\$100,000	\$100,000	\$200,000
Circulation,	143,687	217,992	218,462	135,290	62,994	89,740
Loans on time,	-----	44,000	-----	144		
Due to Canal Fund,	-----	25,364	25,192	33,415	12,432	8,410
Profits,	27,313	9,411	8,611	25	891	
Deposites on debts,	5,690	-----	-----	45	2,227	428
Dividends unpaid,	356	-----	-----	55,006	17,715	34,069
Deposites,	26,379	71,821	52,084	10,585	1,529	
Due other banks and corporations,	693	21,375	27,672			
	\$309,778	\$989,963	\$632,021	\$334,510	\$197,788	\$332,647
Dividends the last year,	\$10,566	\$42,000	\$22,500	\$9,000	\$7,000	\$13,000
Directors' liabilities as principals,	6,276	101,642	26,222	6,006	4,700	21,375
do do sureties,	5,244	81,109	12,279	13,340	2,140	25,912
Stock owned by directors,	28,886	119,400	72,500	25,850	30,100	24,500
Loans and discounts, 1st July, 1840,	226,804	787,598	401,784	172,238	145,683	253,912
Circulation, do	121,505	135,010	120,455	100,031	48,990	69,405
Specie, do	17,068	9,623	32,409	28,668	12,430	15,536

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Catskill Bank.	Tanners' Bank.	Hudson River Bank.	Bank of Albany	Mechanics' and Farmers' Bank.	New-York State Bank.
Loans and discounts,.....	\$231,941	\$146,937	\$299,262	\$437,332	\$604,676	\$479,639
Real estate,	18,230	5,782	4,000	8,003	20,000	36,257
Stocks,.....	13,600	.....	.....	30,000	341,522	385,022
Overdrafts,.....	867	.....	1,020	312	.....	1,571
Expenses and personal estate,	562	.....	.....	1,340	.....	.....
Bank fund,.....	4,500	3,000	4,500	7,200	13,260	.....
Specie,.....	8,413	7,531	11,421	23,212	34,531	33,420
Notes of other solvent banks,	4,140	15,686	9,512	21,602	87,206	254,265
Checks and other cash items,.....	1,010	1,423	754	3,156	870	.....
Funds on deposit in New-York and Albany,	64,924	96,278	20,674	19,955	238,151	635,251
* Due from other banks and corporations,						
	\$348,187	\$276,637	\$351,143	\$552,112	\$1,340,216	\$1,825,425

* Principally on deposit in New-York.

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Canal Bank.	Albany City Bank.	Watervliet Bank.	Bank of Troy.	Farmers' Bank.	Merchants' and Mechanics' Bank.
Loans and discounts,.....	\$524,802	\$771,299	\$410,039	\$1,004,273	\$609,152	\$581,743
Real estate,.....	-----	20,000	47,887	21,105	22,208	28,239
Stocks,.....	172,581	261,533	2,000	54,544	-----	1,100
Overdrafts,.....	-----	1,716	1,228	-----	-----	20
Expenses and personal estate,.....	-----	-----	2,789	567	3,125	-----
Bank Fund,.....	9,000	15,000	4,166	13,200	8,340	9,000
Specie,.....	31,524	50,200	11,714	21,271	13,956	12,559
Notes of other solvent banks,.....	171,528	277,792	41,541	6,666	50,557	17,059
Checks and other cash items,.....	1,282	6,593	5,143	24,660	84	15,827
Funds on deposit in New-York and Albany,.....	-----	-----	20,276	10,638	-----	-----
Due from other banks and corporations,.....	111,791	349,745	19,569	21,703	58,774	7,941
	\$1,022,508	\$1,753,878	\$566,352	\$1,178,627	\$766,196	\$673,488

LIABILITIES.

Capital, -----	\$300,000	\$500,000	\$250,000	\$440,000	\$278,000	\$300,000
Circulation, -----	116,003	106,206	118,640	154,703	180,219	102,595
Loans on time, -----	-----	-----	-----	-----	-----	80,000
Due to Canal Fund, -----	98,105	130,930	31,520	20,000	5,773	20,240
Profits, -----	47,511	123,906	8,044	97,963	35,396	11,179
Deposites on debts, -----	1,099	4,852	-----	-----	-----	450
Dividends unpaid, -----	725	1,740	1,220	448	2,575	-----
Deposites, -----	110,273	105,204	28,148	45,980	114,233	47,105
Due other banks and corporations, -----	348,792	781,040	128,780	419,533	150,000	111,919
	\$1,022,508	\$1,753,878	\$566,352	\$1,178,627	\$766,196	\$673,488
Dividends the last year, -----	\$24,000	\$40,000	\$22,500	\$39,600	\$22,240	\$24,000
Directors' liabilities as principals, -----	27,587	81,021	35,171	65,096	35,719	27,855
do do sureties, -----	49,480	27,158	25,257	42,468	15,506	59,509
Stock owned by directors, -----	57,480	128,300	29,900	70,560	37,410	44,400
Loans and discounts, 1st July, 1840, -----	500,449	769,091	383,445	846,812	492,559	540,197
Circulation, do -----	52,927	66,738	90,073	97,687	157,668	70,537
Specie, do -----	50,267	39,858	7,770	20,129	13,479	13,530

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Troy City Bank.	Lansingburgh Bank.	Saratoga Coun- ty Bank.	Essex County Bank.	Clinton County Bank.	Bank of White- hall.
Loans and discounts,	\$692,648	\$230,497	\$175,673	\$192,176	\$397,340	\$182,114
Real estate,	13,800	7,000	5,436	8,500	13,473	7,003
Stocks,	2,300	.....	.....	.....	75,000	.....
Overdrafts,	629	.....	842	678	42,213	63
Expenses and personal estate, .....	.....	893	330	497	2,200	577
Bank Fund,	9,000	3,600	3,000	3,000	4,263	3,000
Specie,	13,998	12,227	9,369	4,096	11,216	10,664
Notes of other solvent banks,	15,126	2,908	7,161	8,914	11,389	7,630
Checks and other cash items,	2,092	.....	2,863	600	.....	8,504
Funds on deposit in New-York and Albany, Due from other banks and corporations,	54,921	11,829	9,814	.....	18,297	.....
	23,726	20,700	19,320	.....	2,890	36,319
	\$828,240	\$289,654	\$233,808	\$218,461	\$578,281	\$255,874

LIABILITIES.

Capital, -----	\$300,000	\$120,000	\$100,000	\$100,000	\$200,000	\$100,000
Circulation, -----	148,238	130,681	92,395	60,461	193,616	116,930
Loans on time, -----	-----	-----	-----	-----	20,000	-----
Due to Canal Fund, -----	12,535	-----	-----	27,477	86,200	5,232
Profits, -----	49,182	7,314	13,574	3,441	3,180	7,881
Deposites on debts, -----	-----	-----	2,018	6,597	2,007	-----
Dividends unpaid, -----	510	225	1,046	212	1,566	465
Deposites, -----	90,717	30,491	24,119	10,877	20,139	24,796
Due other banks and corporations, -----	227,058	943	656	9,396	51,573	570
	\$828,240	\$289,654	\$233,808	\$218,461	\$578,281	\$255,874
Dividends the last year, -----	\$30,000	\$12,000	\$10,000	\$8,000	\$16,000	\$10,000
Directors' liabilities as principals, -----	38,836	5,872	4,420	14,750	26,000	11,647
do do sureties, -----	44,769	10,386	22,392	11,348	11,975	18,822
Stock owned by directors, -----	57,800	9,630	50,750	28,850	26,800	25,750
Loans and discounts, 1st July, 1840, -----	476,941	182,331	176,034	130,622	383,564	178,530
Circulation, -----	90,000	64,809	57,278	54,860	178,294	94,561
Specie, -----	15,000	12,629	9,147	4,077	7,477	9,563

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Mohawk Bank.	Schenectady Bank.	Montgomery County Bank.	Central Bank.	Otsego County Bank.	Herkimer County Bank.
Loans and discounts,	\$257,473	\$266,579	\$115,472	\$222,160	\$225,227	\$358,349
Real estate,	28,145	.....	2,053	17,833	3,311	8,927
Stocks,	1,977	911	.....	.....	.....	22
Overdrafts,	650	2,992	151	571	.....	284
Expenses and personal estate,	4,950	4,500	3,000	3,600	3,000	6,000
Bank fund,	11,368	13,787	8,569	9,738	10,641	12,694
Specie,	2,956	8,054	1,546	14,953	27,407	8,532
Notes of other solvent banks,	3,215	4,144	167	1,453	492	258
Checks and other cash items,	29,146	64,616	91,466	5,096	32,021	47,279
Funds on deposit in New-York and Albany, .....	.....	.....	.....	36,884	254	1,307
Due from other banks and corporations, .....	.....	.....	.....	.....	.....	.....
	\$339,880	\$365,583	\$222,414	\$312,288	\$302,353	\$443,652

LIABILITIES.

Capital, -----	\$165,000	\$150,000	\$100,000	\$120,000	\$100,000	\$200,000
Circulation, -----	68,585	57,829	76,788	150,206	136,827	191,139
Loans on time, -----						
Due to Canal Fund, -----	5,000	8,333		4,000	-----	5,315
Profits, -----	20,246	18,033	19,301	23,398	40,306	12,359
Deposites on debts, -----	2,923	13,328				
Dividends unpaid, -----	916	1,084	825	156	69	760
Deposites, -----	74,040	110,069	25,500	9,088	23,699	25,402
Due other banks and corporations, -----	3,170	6,907	-----	5,440	1,452	8,677
	\$339,880	\$365,583	\$222,414	\$312,288	\$302,353	\$443,652
Dividends last year, -----	\$11,550	\$12,000	\$15,000	\$10,800	\$10,000	\$18,000
Directors' liabilities as principals, -----	13,202	13,073	14,050	20,799	10,288	31,220
do do sureties, -----	34,139	17,176	10,174	17,326	22,271	32,332
Stock owned by directors, -----	21,685	43,150	51,000	48,870	44,400	90,250
Loans and discounts, 1st July, 1840, -----	285,454	255,494	125,714	199,267	205,980	305,574
Circulation, do -----	47,584	51,255	50,580	128,261	99,222	114,884
Specie, do -----	9,599	13,396	6,675	11,936	10,554	11,993

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Broome County Bank.	Bank of Che- nango.	Madison County Bank.	Bank of Utica & Branch.	Oneida Bank.	Bank of Rome.
Loans and discounts,	\$115,576	\$162,875	\$148,170	\$777,083	\$535,325	\$236,562
Real estate,	9,150	3,744	2,269	43,693	36,498	13,077
Stocks,	-----	-----	30,000	25,197	-----	-----
Overdrafts,	-----	4	-----	45	1,214	108
Expenses and personal estate,	-----	21	161	210	10,082	1,770
Bank fund,	3,000	3,600	3,000	18,000	6,098	3,000
Specie,	12,846	12,840	5,145	41,843	22,519	11,082
Notes of other solvent banks,	5,705	19,193	12,297	38,582	28,192	16,421
Checks and other cash items,	-----	-----	16	2,102	2,306	-----
Funds on deposit in New-York and Albany, Due from other banks and corporations,	38,540 5,007	88,752 78	90,822 6,128	264,230 62,690	227,087 29,984	24,487 816
	\$189,824	\$291,107	\$298,008	\$1,273,675	\$899,305	\$307,323

LIABILITIES.

Capital, -----	\$100,000	\$120,000	\$100,000	\$600,000	\$400,000	\$100,000
Circulation, -----	60,187	127,989	150,000	336,554	274,581	145,830
Loans on time, -----						
Due to Canal Fund, -----	143	540		4,838		5,403
Profits, -----	12,738	15,232	12,406	131,599	14,167	19,929
Deposites on debts, -----		8,206	2,177	26,282	6,731	2,271
Dividends unpaid, -----		864	385	24,168	753	1,548
Deposites, -----	16,756	17,123	29,687	137,655	185,367	26,616
Due other banks and corporations, -----		1,153	3,353	12,579	17,706	5,726
	\$189,824	\$291,107	\$298,008	\$1,273,675	\$899,305	\$307,323
Dividends the last year, -----	\$9,000	\$9,600	\$10,000	\$48,000	\$28,000	\$10,000
Directors' liabilities as principals, -----	14,883	6,697	17,758	24,745	56,566	21,953
do do sureties, -----	8,645	9,674	10,614	54,299	25,203	4,220
Stock owned by directors, -----	72,625	52,530	54,350	93,480	110,400	16,300
Loans and discounts, 1st July, 1840, -----	116,598	145,830	142,503	760,047	470,154	188,267
Circulation, do -----	55,419	107,945	95,226	204,213	150,071	90,549
Specie, do -----	13,873	13,946	6,905	44,963	35,672	9,612

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Lewis County Bank.	Jefferson Coun- ty Bank.	Sacketts-Har- bour Bank.	Ogdensburgh Bank.	Oswego Bank.	Commercial Bank of Oswe- go.
Loans and discounts,.....	\$228,248	\$271,228	\$278,288	\$122,901	\$209,849	\$401,531
Real estate,	2,220	2,677	9,003	23,968	51,572	141,292
Stocks,.....	20,000	-----	-----	-----	-----	17,000
Overdrafts,.....	434	138	1	-----	109	565
Expenses and personal estate,	1,244	-----	2,889	768	-----	15,142
Bank fund,.....	3,000	4,800	5,151	3,000	4,500	4,058
Specie,.....	8,561	12,832	14,241	11,443	8,761	8,286
Notes of other solvent banks,.....	10,819	6,093	3,859	5,225	4,654	5,107
Checks and other cash items,.....	1,081	1,500	-----	1,922	8,884	4,455
Funds on deposit in New-York and Albany, Due from other banks and corporations,	35,663	98,359	42,855	34,541	7,609	3,855
	9,910	8,519	6,077	795	2,268	5,731
	\$321,180	\$406,146	\$362,364	\$204,563	\$298,206	\$607,022

LIABILITIES.

Capital, -----	\$100,000	\$200,000	\$200,000	\$100,000	\$150,000	\$250,000
Circulation, -----	137,754	110,533	104,363	71,915	63,672	216,096
Loans on time, -----						
Due to Canal Fund, -----	28,665	-----	5,200	4,933	21,251	38,217
Profits, -----	19,614	34,478	14,501	6,271	22,180	
Deposites on debts, -----	1,215	3,503	2,820	1,425	1,039	11,630
Dividends unpaid, -----	500	-----	166	-----	-----	76
Deposites, -----	18,092	41,566	25,992	19,809	29,008	51,919
Due other banks and corporations, -----	15,340	16,066	9,322	210	11,056	39,084
	\$321,180	\$406,146	\$362,364	\$204,563	\$298,206	\$607,022
Dividends the last year, -----	\$10,000	\$20,000	\$14,000	-----	\$12,000	
Directors' liabilities as principals, -----	12,672	16,021	30,996	\$12,050	27,637	\$15,009
do do sureties, -----	16,579	26,258	17,937	6,193	16,832	12,234
Stock owned by directors, -----	24,000	61,370	46,000	43,750	22,700	24,700
Loans and discounts, 1st July, 1840, -----	220,811	265,168	296,277	116,140	223,036	459,528
Circulation, do -----	89,077	88,321	94,627	48,535	71,235	209,607
Specie, do -----	9,202	14,709	8,303	11,241	5,474	3,967

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Bank of Salina.	Onondaga Bank	Bank of Auburn.	Cayuga County Bank.	Seneca County Bank.	Bank of Geneva.
Loans and discounts,	\$310,626	\$280,432	\$387,536	\$340,982	\$380,557	\$642,086
Real estate,	6,493	14,421	3,000	39,651	6,175	5,379
Stocks, .....	.....	.....	19,714	.....	12,000	11,977
Overdrafts,	424	.....	752	29	614	129
Expenses and personal estate,	1,947	304	.....	.....	.....	600
Bank Fund,	4,500	4,500	.....	7,500	6,000	12,000
Specie,	7,994	12,799	14,135	15,737	9,459	24,103
Notes of other solvent banks,	2,410	4,775	31,403	2,273	5,298	12,766
Checks and other cash items,	5,815	.....	4,507	716	.....	.....
Funds on deposit in New-York and Albany,	48,635	114,831	139,121	87,367	61,179	198,411
Due from other banks and corporations,	1,609	17,197	4,977	4,203	6,509	8,728
	\$390,453	\$449,259	\$605,145	\$498,458	\$487,791	\$916,179

LIABILITIES.

Capital, -----	\$150,000	\$150,000	\$200,000	\$250,000	\$200,000	\$400,000
Circulation, -----	137,885	156,278	176,367	185,351	145,250	275,499
Loans on time, -----						
Due to Canal Fund, -----	10,441	15,886	546	10,267	28,767	852
Profits, -----	18,794	22,648	160,651	12,608	19,525	162,667
Deposites on debts, -----	-----	-----	2,143	1,249	15,280	8,673
Dividends unpaid, -----	2,291	150	8,315	1,307		
Deposites, -----	59,389	73,713	47,498	30,496	63,257	62,973
Due other banks and corporations, -----	11,653	30,584	9,625	7,180	15,712	5,515
	\$390,453	\$449,259	\$605,145	\$498,458	\$487,791	\$916,179
Dividends the last year, -----	\$15,000	\$15,000	\$16,000	\$10,000	\$30,000	\$40,000
Directors' liabilities as principals, -----	14,331	14,934	20,105	46,196	24,930	42,429
do do sureties, -----	16,448	8,893	5,591	9,143	17,410	16,752
Stock owned by directors, -----	28,100	54,500	10,825	66,725	90,400	79,700
Loans and discounts, 1st July, 1840, -----	266,709	258,576	460,245	427,767	384,165	521,575
Circulation, do -----	125,818	150,666	155,706	163,063	127,447	228,604
Specie, do -----	7,840	15,504	13,557	14,235	8,035	22,783

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Bank of Ithaca.	Tompkins County Bank.	Bank of Owego.	Chemung Canal Bank.	Steuben County Bank.	Yates County Bank.
Loans and discounts,-----	\$330,245	\$346,303	\$238,107	\$336,498	\$280,901	\$228,541
Real estate,-----	12,696	13,048	3,550	28,542	11,985	3,969
Stocks,-----	-----	-----	-----	20,000	-----	8,000
Overdrafts,-----	626	97	-----	103	13	3,100
Expenses and personal estate,-----	1,266	515	251	-----	-----	-----
Bank Fund,-----	6,000	3,929	4,083	6,000	4,500	2,668
Specie,-----	10,595	11,126	14,458	8,246	8,132	20,626
Notes of other solvent banks,-----	23,607	17,057	14,460	5,957	6,918	1,681
Checks and other cash items,-----	1,991	1,967	-----	5,221	-----	8,933
Funds on deposit in New-York and Albany,-----	38,422	52,123	41,102	38,267	40,398	38,122
Due from other banks and corporations,-----	6,496	6,691	14,655	9,388	27,704	471
	\$431,944	\$452,856	\$330,666	\$458,222	\$380,551	\$316,111

LIABILITIES.

Capital, -----	\$200,000	\$250,000	\$200,000	\$200,000	\$200,000	\$150,000	\$100,000
Circulation, -----	154,482	145,426	94,127	131,044	112,532	145,028	
Loans on time, -----							
Due to Canal Fund, -----		13,200		17,985	32,764	6,875	
Profits, -----	42,716	3,027	10,081	6,753	24,647	5,023	
Deposites on debts, -----	3,528	6,147	6,823	7,006	3,412	3,800	
Dividends unpaid, -----		685	748	5,968		5,000	
Deposites, -----	28,193	23,878	17,272	87,284	47,686	38,432	
Due other banks and corporations, -----	3,025	10,493	1,615	2,182	9,510	11,953	
	\$431,944	\$452,856	\$330,666	\$458,222	\$380,551	\$316,111	
Dividends the last year, -----	\$30,000	\$20,000	\$14,000	\$16,000	\$15,000	\$10,000	
Directors' liabilities as principals, -----	38,876	58,026	19,941	19,537	14,606	10,200	
do do sureties, -----	13,595	13,154	38,113	13,069	32,640	17,868	
Stock owned by directors, -----	53,240	49,350	94,800	39,350	43,350	47,000	
Loans and discounts, 1st July, 1840, -----	302,627	338,211	230,316	318,349	246,159	223,826	
Circulation, do -----	135,321	133,813	66,557	87,085	111,050	117,284	
Specie, do -----	10,671	10,007	16,556	9,007	7,573	20,736	

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Bank of Lyons.	Wayne County Bank.	Ontario Bank & Branch.	Livingston County Bank.	Bank of Gene-see.	Bank of Monroe.
Loans and discounts,.....	\$310,190	\$249,613	\$783,883	\$239,556	\$227,811	\$551,615
Real estate,	70,677	12,292	45,876	7,400	7,842	27,299
Stocks,.....	35,655	9,334				
Overdrafts,.....	1,678	205	407	48	.....	359
Expenses and personal estate,	537	27,523	1,159	22	418	175
Bank fund,.....	4,208	3,000	15,000	3,000	3,000	9,000
Specie,.....	9,786	4,011	15,022	14,552	10,014	7,674
Notes of other solvent banks,	2,791	3,686	4,544	12,430	7,040	6,478
Checks and other cash items,	1,000	566	1,716			
Funds on deposit in New-York and Albany,	61,095	7,798	65,447	54,046	114,490	92,951
Due from other banks and corporations,	25,679	3,977	14,013	1,040	6,350	12,086
	\$523,296	\$322,005	\$947,067	\$332,094	\$376,965	\$707,637

LIABILITIES.

Capital, -----	\$200,000	\$100,000	\$500,000	\$100,000	\$100,000	\$300,000
Circulation, -----	114,751	144,392	224,821	135,789	121,986	185,157
Loans on time, -----	-----	9,784	-----	-----	-----	-----
Due to Canal Fund, -----	59,407	38,586	-----	71	-----	20,000
Profits, -----	13,670	15,582	143,857	40,265	27,508	55,251
Deposites on debts, -----	12,632	-----	3,624	-----	-----	12,353
Dividends unpaid, -----	160	-----	235	-----	-----	-----
Deposites, -----	22,821	5,920	61,744	42,676	118,601	55,563
Due other banks and corporations, -----	99,855	7,741	12,786	13,293	8,870	79,313
	\$523,296	\$322,005	\$947,067	\$332,094	\$376,965	\$707,637
Dividends the last year, -----	-----	-----	\$50,000	\$14,000	\$11,000	\$24,000
Directors' liabilities as principals, -----	22,172	-----	24,302	17,625	22,650	16,121
do do sureties, -----	11,384	-----	95,758	13,035	6,652	16,111
Stock owned by directors, -----	20,500	-----	57,300	22,100	40,440	12,275
Loans and discounts, 1st July, 1840, -----	324,776	-----	592,061	228,440	193,283	506,753
Circulation, do -----	70,724	-----	82,838	133,320	79,964	137,223
Specie, do -----	10,790	-----	20,400	9,150	5,814	5,242

SAFETY FUND BANK STATEMENTS.

RESOURCES.

	Rochester City Bank.	Bank of Orleans	Bank of Buffalo.	Bank of Rochester.	Commercial Bank of Buffalo.	Chautauque County Bank.
Loans and discounts,.....	\$764,324	\$317,490	\$386,095	\$582,895	\$642,197	\$154,214
Real estate,.....	28,601	22,234	168,852	62,711	186,687	19,917
Stocks,.....	.....	1,500	.....	.....	.....	23,750
Overdrafts,.....	.....	1,352	.....	5,441	6,855	39
Expenses and personal estate,.....	.....	710	.....	1,000	68,100	868
Bank Fund,.....	6,652	5,291	6,000	1,250	10,465	3,000
Specie,.....	15,098	13,129	16,138	7,854	40,286	12,325
Notes of other solvent banks,.....	18,292	6,034	5,740	9,975	36,176	7,003
Checks and other cash items,.....	.....	.....	.....	588	6,347	613
Funds on deposit in New-York and Albany,.....	88,082	46,297	44,038	44,993	77,242	.....
Due from other banks and corporations,.....	9,260	13,626	27,543	1,801	15,331	25,272
	\$930,309	\$427,663	\$654,406	\$718,508	\$1,089,686	\$247,001

LIABILITIES.

Capital, -----	\$400,000	\$200,000	\$200,000	\$250,000	\$400,000	\$100,000
Circulation, -----	250,438	148,758	195,760	170,142	246,662	67,423
Loans on time, -----						
Due to Canal Fund, -----	36,081	13,246	110,030	111,112	68,982	26,153
Profits, -----	48,917	10,248	9,260	26,164	98,995	7,980
Deposites on debts, -----		4,362	486	882	-----	4,106
Dividends unpaid, -----	472	2,221	-----	6,646	17,504	55
Deposites, -----	147,530	20,259	122,511	69,345	223,042	15,446
Due other banks and corporations, -----	46,871	28,569	16,359	84,217	34,501	25,838
	\$930,309	\$427,663	\$654,406	\$718,508	\$1,089,686	\$247,001
Dividends the last year, -----	32,000	\$16,000	-----	\$22,500	\$32,000	\$10,000
Directors' liabilities as principals, -----	75,622	33,993	13,618	45,934	94,015	4,961
do do sureties, -----	23,678	25,246	12,035	44,804	18,520	12,750
Stock owned by directors, -----	71,000	84,300	41,100	26,900	121,900	12,050
Loans and discounts, 1st July, 1840, -----	813,910	298,970	500,463	469,070	733,998	191,681
Circulation, do -----	275,952	105,483	152,219	126,701	212,443	113,503
pecie, do -----	7,252	8,295	7,736	6,631	9,723	13,284

MANHATTAN COMPANY, N. Y.

Real estate and water works,.....	\$528,650 84	Capital stock,	\$2,050,000 00
Loans and discounts,.....	1,316,955 41	Profit and loss,	117,120 17
New-York State and other stocks,.....	519,025 50	Dividends unclaimed,	5,227 42
Suspended debts,	233,702 93	Deposites to apply on debts,	4,048 63
Due from city banks,	131,157 14	Due Commissioners of the Ca-	
do distant banks,	101,786 88	nal Fund,.....	\$262,374 15
Suspense account,	62,341 69	Due Treasurer of the State of	
Notes and checks on other b'ks, \$183,250 19		New-York,	6,805 54
Specie,.....	239,240 11	Due Treasurer of the U. S....	129 25
	422,490 30		269,308 94
		Due city banks,.....	15,711 17
		Due distant banks,	99,479 62
		Due individual depositors,.....	532,051 35
		Notes in circulation,	223,163 39
			\$3,316,110 69

NORTH RIVER BANK.

Discounted bills and notes,	\$917,748 14	Capital stock,	\$500,000 00
Other debts considered as loans,	27,659 95	Bank notes in circulation,	226,773 00
Real estate,	36,850 34	Due individual depositors,	380,367 33
Specie,	75,101 88	“ city banks,	36,604 52
Notes of other banks,	68,072 24	“ other banks and corporations,	24,376 16
Checks and other cash items,	13,107 76	Profits,	34,369 05
Due from city banks,	10,849 61		
Due from other banks and corporations, ..	13,100 14		
New-York State stocks,	40,000 00		
	<u>\$1,202,490 06</u>		<u>\$1,202,490 06</u>

CHEMICAL BANK.

Loans and discounts,	\$770,439	Capital,	\$400,000
Real estate,	2,500	Circulation,	143,970
Expenses and personal estate,	5,188	Profits,	71,699
Specie,	62,385	Dividends unpaid,	259
Notes of other banks,	45,988	Deposites,	323,364
Checks and other cash items,	11,497	Due other banks,	20,280
Due from other banks,	61,575		
	<u>\$959,572</u>		<u>\$959,572</u>

Aggregate statement of 90 Banks, subject to the Bank Fund law, as reported to the Bank Commissioners, January 1st, 1841.

RESOURCES.

	18 New-York City Banks	72 Country Banks.	Total 90 banks.
Loans and discounts,	\$22,762,567	\$26,756,016	\$49,518,583
Real estate,	1,195,249	1,760,710	2,955,959
Stocks,	2,280,832	1,617,954	3,898,786
Overdrafts,	83,762	89,863	173,625
Expenses and personal estate,	166,238	199,539	365,777
Bank Fund,	463,153	398,490	861,643
Specie,	3,776,163	1,125,908	4,902,071
Notes of other solvent banks,	2,797,097	1,565,628	4,362,725
Checks and other cash items,	1,969,420	194,541	2,163,961
Funds in New-York and Albany,	-----	3,669,231	3,669,231
Due from other banks and corporations,	3,504,903	2,129,792	5,634,695
	\$38,999,384	\$39,507,672	\$78,507,056

LIABILITIES.

Capital,	\$16,611,200	\$15,940,260	\$32,551,460
Circulation,	4,153,034	10,168,307	14,321,341
Loans on time,	-----	109,784	109,784
Due to Canal Fund,	66,614	1,808,685	1,875,299
Profits,	2,015,828	2,605,365	4,621,193
Deposites on debts,	20,924	236,509	257,433
Dividends unpaid,	136,030	111,636	247,666
Deposites,	10,639,325	4,345,631	14,984,956
Due other banks and corporations,	5,356,429	4,181,495	9,537,924
	\$38,999,384	\$39,507,672	\$78,507,056

Aggregate statement of all the chartered banks of the State of New-York, on the 1st of January, 1841.

RESOURCES.

	90 Safety Fund Banks.	5 Banks not Safety Fund.	Total 95 banks.
Loans and discounts,	\$49,518,583	\$5,172,580	\$54,691,163
Real estate,	2,955,959	632,173	3,588,132
Stocks,	3,898,786	731,606	4,630,392
Overdrafts,	173,625	719	174,344
Expenses and personal estate,	365,777	74,144	439,921
Bank fund,	861,643	.....	861,643
Specie,	4,902,071	527,551	5,429,622
Notes of other solvent banks,	4,362,725	560,039	4,922,764
Checks and other cash items,	2,163,961	24,664	2,188,565
Funds on deposit in New-York and Albany,	3,669,231	.....	3,669,231
Due from other banks and corporations,	5,634,695	757,076	6,391,771
Total,	\$78,507,056	\$8,430,492	\$86,987,548

LIABILITIES.

Capital, -----	\$32,551,460	\$3,850,000	\$36,401,460
Circulation, -----	14,321,341	913,715	15,235,056
Loans on time, -----	109,784	-----	109,784
Due to Canal Fund, -----	1,875,299	694,959	2,570,258
Profits, -----	4,621,193	364,403	4,985,596
Deposites on debts, -----	257,433	-----	257,433
Dividends unpaid, -----	247,666	9,395	257,061
Deposites, -----	14,984,956	1,811,262	16,796,218
Due other banks and corporations, -----	9,537,924	836,758	10,374,682
	\$78,507,056	\$8,480,492	\$86,987,548

TABLE showing the principal items of the bank statements of all the chartered banks of the State, for the last five years.

	January 1, 1837. 98 banks.	January 1, 1838. 95 banks.	January 1, 1839. 96 banks.	January 1, 1840. 95 banks.	January 1, 1841. 95 banks.
Capital,	\$37,101,460	\$36,611,460	\$36,801,460	\$36,401,460	\$36,401,460
Circulation,	24,198,000	12,432,478	19,373,149	10,360,592	15,235,056
Canal Fund,	3,768,874	4,465,832	3,291,713	2,992,530	2,570,258
Deposites,	19,342,698	15,771,729	18,370,044	16,038,416	16,796,218
United States deposits,	10,791,596				
Due banks,	20,462,823	15,221,487	15,344,098	7,008,241	10,374,682
Loans and discounts,	79,313,188	60,999,770	68,300,486	52,085,467	54,691,163
Stocks,	1,794,152	2,795,207	911,623	3,647,970	4,630,392
Specie,	6,557,020	4,139,732	6,602,708	5,851,218	5,429,622
Bank notes,	12,487,610	3,616,918	3,907,137	4,380,648	4,922,764
Cash items,	3,268,648	618,277	2,838,694	2,306,462	2,188,565
Due from banks,	18,832,254	18,297,899	14,122,940	6,504,488	6,391,771



